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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/871,341	05/31/2001	Tim K. Keyes	RD-28408	9578

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EXAMINER

GRAHAM, CLEMENT B

ART UNIT

PAPER NUMBER

3628

DATE MAILED: 05/03/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/871,341

Applicant(s)

KEYES ET AL.

Examiner

Clement B. Graham

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on 20 January 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-26, 34, 36-45, 47-50 and 57 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-26, 34, 36-45, 47-50, and 57 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 27-33, 35, 46, 51-56 has been deleted and claims 1-26, 34, 36-45, 47-50, remained pending 57 has been added.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-57, are rejected under 35 U.S.C. 103(a) as being unpatentable over Tilton U.S Patent 6, 654, 727.

As per claims 1-12, Tilton discloses a method for analyzing a deal that includes portfolios of distressed financial assets including loans or other financial instruments, using a network-based system including a server system coupled to a centralized database and at least one client system, said method comprising the steps of generating a cash flow data table from various data sources, the data table including data relating to each asset included within the portfolios (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) importing cash flow data from the data table into a cash flow model; automatically segmenting cash flow data by potential asset disposition types utilizing the cash flow model, each asset having a potential asset disposition type assigned thereto(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) determining a cash flow timing and an expense timing for each asset included within the portfolios based on the potential asset disposition type assigned thereto, the determination of the timings performed using the cash flow model(see column 3 lines 59-67 and column 4 lines 1-10) determining cash flow projections for the deal based on the determination of cash flow timings and expense timings for each asset included within the portfolios (see column 12 lines 1-17)

performing sensitivity analysis using Monte Carlo Simulation Model to

Tilton fail to explicitly teach performing sensitivity analysis using Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions

retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

However performing sensitivity analysis using Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks is old and well known in the art because it can be used for example to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default). Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Tilton to include sensitivity analysis using Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks in order to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default)..

As per claims 13-26, Tilton discloses a system for managing portfolio cash valuation for analog a deal that includes a portfolio of distressed financial assets including loans or other financial instruments, said system comprising:
at least one client system;
at least one server system coupled to a database for storing data; and

a network connecting said at least one client system to said server system, wherein said server system is configured to:

generate a cash flow data table from various data sources, the data table including data relating to each asset included within the portfolios:

import cash flow data from the data table into a cash flow model(see column 3 lines 59-67 and column 4 lines 1-10) automatically segment cash flow data by potential asset disposition types utilizing the cash flow model. ach asset having a potential asset disposition type assigned thereto(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) determine a cash flow timing and an expense timing for each asset included within the portfolio based on the potential asset disposition type assigned thereto, the determination of the timings performed using the cash flow model(see column 3 lines 59-67 and column 4 lines 1-10) determine cash flow projections for the deal based on the determination of cash flow timings and expense timings for each asset included within the portfolio(see column 12 lines 1-17) perform a sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

Tilton fail to explicitly teach perform a sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

However performing a sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the

database including expected timing of recoveries amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks is old and well known in the art because it can be used for example to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Tilton to include performing a sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks in order to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default)..

As per claims 34, 36-43, Tilton discloses a computer program embodied on a computer readable analyzing a deal that includes a portfolio of distressed medium for financial assets including loans or other financial instruments, said computer program capable to be of being processed by a server system coupled to a centralized interactive database and at least one client system, said computer program comprising: a code segment that receives information from various data sources; a code segment that generates a cash flow data table from various data sources, the data table including data relating to each asset included within the portfolio(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17) a code segment that imports cash flow data from the data table into a cash flow model, a code segment that automatically segments cash flow data by potential asset

disposition types utilizing the cash flow model, each asset having a potential asset disposition type assigned thereto. (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)

a code segment that determines a cash flow timing and an expense timing for each asset included within the portfolio based on the potential asset disposition type assigned thereto, the determination of the timings performed using the cash flow model(see column 3 lines 59-67 and column 4 lines 1-10) a code segment that determines cash flow projections for the deal based on the determination of cash flow timings and expense timings for each asset included within the portfolio(see column 12 lines 1-17).

Tilton fail to explicitly teach a code segment that performs sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including_ expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and a code segment that exports cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

However a code segment that performs sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including_ expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and a code segment that exports cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks is old and well known in the art because it can be used for example to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Tilton to include a code segment that performs sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based

on a variety of assumptions retrieved from the database including_ expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and a code segment that exports cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks in order to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default)..

As per claims 44-45, 47-50, Tilton discloses a centralized database for analyzing a deal that includes a portfolio of distressed financial assets including loans or other financial instruments, said database comprising:

data corresponding to generating a cash flow data table from various data sources, the data table including data relating to each asset included within the portfolio(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)

data corresponding to importing cash flow data from the data table into a cash flow model, data corresponding, to automatically segmenting cash flow data by potential asset disposition types utilizing the cash flow model, each asset having a potential asset disposition type assigned thereto(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)

data corresponding to determining a cash flow timing and an expense timing for each asset included within the portfolio based on the potential asset disposition type assigned thereto, the determination of the timings performed using the cash flow model(see column 3 lines 59-67 and column 4 lines 1-10) data corresponding to determining cash flow projections for the deal based on the determination of cash flow timings and expense timings for each asset included within the portfolio(see column 12 lines 1-17 and see column 3 lines 59-67 and column 4 lines 1-10)

Tilton fail to explicitly teach data corresponding to performing sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of

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recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events and data corresponding to exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

However performing sensitivity analysis using Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events, and exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks is old and well known in the art because it can be used for example to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default).

Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Tilton to include data corresponding to performing sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events and data corresponding to exporting cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks in order to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default).

As per claim 57, Tilton discloses a computer analyzing a deal that includes a portfolio of distressed financial assets including loans or other financial instruments, the computer coupled to a database, said computer programmed to (see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)

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generate a cash flow data table from various data sources, the data table including data relating to each asset included within the portfolio(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)

import cash flow data from the data table into a cash flow model;

automatically segment cash flow data by potential asset disposition types utilizing the cash flow model, each asset having a potential asset disposition type assigned thereto(see column 17 lines 45-67 and column 18 lines 1-67 and column 11 lines 45-67 and column 12 lines 1-17)

determine a cash flow timing and an expense timing for each asset included within the portfolios based on the potential asset disposition type assigned thereto, the determination of the timings performed using the cash flow model(see column 3 lines 59-67 and column 4 lines 1-10)

determine cash flow projections for the deal based on the determination of cash flow timings and expense timings for each asset included within the portfolio(see column 12 lines 1-17).

Tilton fail to explicitly teach perform sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks.

However performing sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks is old well known in

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the art because it can be used for example to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default).

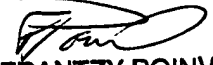
Therefore it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the teachings of Tilton to include performing sensitivity analysis using a Monte Carlo Simulation Model to provide different scenarios based on a variety of assumptions retrieved from the database including expected timing of recoveries, amount of recoveries, interest rates, and expenses, the Simulation Model generates a probabilistic distribution of a possible value of the deal including risk associated with uncertainty of future events and export cash flow projections into a pre-determined format to develop financially attractive bids for the deal that takes into account a variety of foreseeable risks in order to test the outer limits of a project's economic viability, (i.e. testing the cash flows to determine what level of Interest Rates, F/X Rates, Sales Volumes, etc. causes the default)..

Conclusion

Response to Arguments

4. Applicant's arguments files on 1/20/06 have been fully considered but they are moot in view of new grounds of rejection
5. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 571-272-6795. The examiner can normally be reached on 7am to 5pm.
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone numbers for the organization where this application or proceeding is assigned are 571-273-8300 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.


FRANTZY POINVIL
PRIMARY EXAMINER
Au 3628

CG

April 20, 2006